CITY OF NEWPORT BEACH PLANNING COMMISSION STAFF REPORT

January 20, 2011 Meeting Agenda Item 4

SUBJECT:

F & M Bank Parking Waiver - (PA2010-141)

2421 East Coast Highway

Use Permit No. UP2010-031

APPLICANT: Planet Design, Inc.

PLANNER:

Fern Nueno, Assistant Planner

(949) 644-3227, fnueno@newportbeachca.gov

PROJECT SUMMARY

The applicant is applying for a conditional use permit requesting a parking waiver of seven (7) spaces to allow the addition of approximately 450 square feet of gross floor area to an existing 3,505-square-foot building.

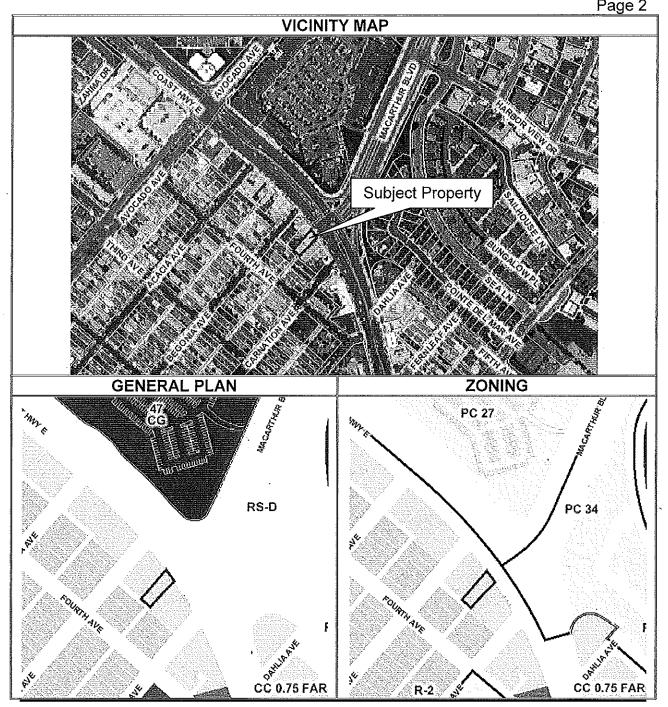
RECOMMENDATION

- 1) Conduct a public hearing; and
- 2) Adopt Resolution No. ___ approving Conditional Use Permit No. UP2010-031 (Attachment No. PC 1).

INTRODUCTION

Project Setting

The subject property is located on the south side of East Coast Highway, at the intersection of MacArthur Boulevard in the commercial corridor of Corona del Mar. More specifically, the property is situated within a commercial block that is currently occupied by the Bungalow Restaurant, Golden Spoon Yogurt Shop, Rothschild's Restaurant, and retail and office uses. To the rear of the property are single- and twounit residential properties. The subject property is presently developed with a 3,505square-foot building, previously used as a retail rug store. The existing building is nonconforming because code-required parking is not provided. A total of eleven (11) parking spaces are provided on-site within a below grade parking garage that is accessed from the public alley to the rear.



LOCATION	GENERAL PLAN	ZONING	CURRENT USE	
ON-SITE	Corridor Commercial (CC)	Commercial Corridor (CC)	Vacant office/retail building	
NORTH	General Commercial (CG)	Planned Community (PC 27)	Corona del Mar Plaza	
SOUTH	Two-Unit Residential (RT)	Two-Unit Residential (R-2)	Single- and two-unit residential	
EAST	Corridor Commercial (CC) and (RS-D)	Commercial Corridor (CC)	Gas station and single-unit residential	
WEST	Corridor Commercial (CC)	Commercial Corridor (CC)	Restaurants and retail	

Project Description

The applicant is proposing to remodel and enlarge the building and to change the use of the existing retail space to a financial institution. The proposed construction includes demolishing an existing 632-square-foot mezzanine and enclosing 1,132 square feet of an existing deck located towards the alley above the parking garage. The overall gross floor area of the building would have a net increase of approximately 450 square feet, from 3,505 to 3,964 square feet. The addition will provide room for a vault, restrooms, an employee break room, and a storage area. The addition will also allow an elevator and customer area to allow access for customers to enter the bank service area from the parking garage below.

The scope of the construction requires upgrading the parking garage to bring the parking into compliance with disabled parking requirements and to increase the size of substandard parking spaces. This will result in a loss of two (2) parking spaces with nine (9) code-compliant parking spaces provided after the proposed construction.

DISCUSSION

Ordinance 2010-21, which adopted the current Zoning Code, provides that discretionary and ministerial applications deemed complete prior to the effective date of the ordinance may be processed under the previous Zoning Code, provided they are found consistent with the General Plan. The Conditional Use Permit application was submitted and deemed complete prior to the adoption of the current Zoning Code. Therefore, this project is being reviewed subject to regulations of the previous Zoning Code. Specifically, the application includes a request to utilize a section of the previous Zoning Code, which allows for an addition provided that the code-required parking is provided or waived with a use permit. A waiver of required parking spaces can be approved if a municipal parking lot is located nearby.

<u>Analysis</u>

General Plan, Zoning Code, and Coastal Land Use Plan Consistency

The financial institution use is consistent with the Corridor Commercial land use designation of the General Plan, the Commercial Corridor (CC) Zoning District, and the Corridor Commercial (CC) Coastal Land Use Plan category, which are intended to provide a range of neighborhood-serving retail and service uses along street frontages that are located and designed to foster pedestrian activity. The proposed use as designed is a retail oriented financial institution that will serve residents, visitors, and business owners in the area consistent with the intent of the land use designation.

Required Parking

The existing building is nonconforming due to insufficient off-street parking because eleven (11) parking spaces are provided and fifteen (15) spaces would be required if the building were being constructed today. The existing 3,505-square-foot building is vacant, but was previously operating as a retail rug store. Retail sales uses require one (1) parking space for every 250 square feet of gross floor area. Section 20.62.050.B of the previous Zoning Code (Nonconforming Parking – Nonresidential Uses) allows for an addition of more than 10 percent of the existing gross floor area of a structure with nonconforming parking if the code required parking is provided or if a use permit is approved to waive or reduce the parking requirement.

With the proposed construction, the parking requirement is increasing by one (1) parking space. Section 20.40.040 (Off-Street Parking Required) of the current Zoning Code¹ requires one (1) parking space for every 250 square feet of gross floor area for financial institutions and related services. The proposed gross floor area is 3,964 square feet; therefore, sixteen (16) parking spaces are required. The garage will provide nine (9) parking spaces for customer use, and the applicant requests a conditional use permit to waive the remaining seven (7) required parking spaces.

Table 1

	Existing	Proposed
Gross Floor Area (square feet)	3,505	3,964
Required No. of Parking Spaces	15	16
Provided No. of Parking Spaces	11	9
Deficient No. of Parking Spaces	4	7

Parking Waiver

Section 20.66.100 (Modification or Waiver of Off-Street Parking Requirements) of the previous Zoning Code allows the Planning Commission to approve a use permit to modify or waive the number of parking spaces required if a municipal parking facility is so located as to be useful in connection with the proposed use on site. A municipal parking lot is located within usable walking distance (less than 500 feet) at Fourth Avenue and Dahlia Avenue and contains thirty-two (32) parking spaces. The applicant proposes to purchase ten (10) parking permits on an annual basis for employee use of the nearby municipal lot.

The Public Works Department has reviewed the application and recommends that the applicant secure parking for employees at a private parking lot rather than in the municipal lot in order to keep the municipal lot available for public use. The applicant has stated that they have had difficulty securing a private, off-site location for employee

¹ The off-street parking requirement of the current Zoning Code for the proposed use is the same as that of the previous Zoning Code.

parking. The Coastal Land Use Plan describes a parking analysis model and field observations done in Corona del Mar in 2002 that indicate the existing supply of parking is more than adequate for the existing uses and land use demands. Furthermore, the Economic Development Division supports the parking waiver based on the 2008 Walker Parking Consultants parking study for the Corona del Mar area, which indicates that the municipal lot is less than 50 percent occupied during weekday and weekend peak occupancy. The use of this municipal parking lot as an employee lot is discussed as a community recommendation in the parking study.

Findings

Section 20.52.020.F of the Zoning Code (Findings and Decision) requires certain findings to be made in order to approve a conditional use permit. The required findings and facts in support of the findings are in the attached draft resolution (Attachment No. PC 1).

Summary

Staff recommends approval of the parking waiver of seven (7) spaces with the condition that the applicant purchase ten (10) parking permits on an annual basis for employee use in the municipal lot. The existing building is nonconforming due to insufficient parking and the net addition is increasing the parking requirement by one (1) parking space.

Alternatives

Should the Planning Commission determine that not all the facts in support of the findings can be made, the Planning Commission may deny the application.

Environmental Review

This project has been reviewed, and it has been determined that it is categorically exempt from the requirements of CEQA Guidelines under Section 15301 Class 1 (Existing Facilities), which exempts the operation of existing facilities involving negligible or no expansion of use, including additions of up to 50 percent of the floor area of the structure before the addition.

Public Notice

Notice of this hearing was published in the Daily Pilot, mailed to property owners within 300 feet of the property, and posted at the site a minimum of ten days in advance of this hearing, consistent with the Municipal Code. Additionally, the item appeared upon the agenda for this meeting, which was posted at City Hall and on the City website.

F & M Bank Parking Waiver January 20, 2011 Page 6

Prepared by:

Submitted by:

rn/Nueno, Assistant Planner

Patrick J. Alford, Planning Manager

ATTACHMENTS

PC 1 Draft Resolution with Findings and Conditions

PC 2 Applicant's Project Description PC 3 Project Plans

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Tmplt: 11/23/09

Attachment No. PC 1

Draft Resolution with Findings and Conditions

RESOLUTION NO.

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH APPROVING CONDITIONAL USE PERMIT NO. UP2010-031 FOR A PARKING WAIVER OF SEVEN SPACES TO ALLOW A 500 SQUARE FOOT FOR PROPERTY LOCATED AT 2421 EAST COAST HIGHWAY (PA2010-141)

THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH HEREBY FINDS AS FOLLOWS:

SECTION 1. STATEMENT OF FACTS.

- 1. An application was filed by Planet Design, Inc., representing Farmers and Merchants Bank, with respect to property located at 2421 East Coast Highway, and legally described as Parcel 1 of Resubdivision 0479, requesting approval of a conditional use permit for a parking waiver.
- 2. The applicant proposes a remodel and addition to an existing building that necessitates the parking to be brought into conformance with Zoning Code standards. Section 20.66.100 of the previous Zoning Code authorizes the Planning Commission to approve a use permit for a parking waiver under certain conditions. The applicant proposes a parking waiver of seven (7) parking spaces to allow the proposed addition to the building.
- 3. The subject property is located within the Commercial Corridor (CC) Zoning District and the General Plan Land Use Element category is Corridor Commercial (CC).
- 4. The subject property is located within the coastal zone. The Coastal Land Use Plan category is Corridor Commercial (CC-B).
- 5. A public hearing was held on January 20, 2011, in the City Hall Council Chambers, 3300 Newport Boulevard, Newport Beach, California. A notice of time, place and purpose of the meeting was given in accordance with the Newport Beach Municipal Code. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this meeting.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION.

- 1. This project has been determined to be categorically exempt under the requirements of the California Environmental Quality Act under Class 1 (Existing Facilities).
- 2. Class 1 exempts minor alterations including additions of up to 50 percent of the floor area of the structure before the addition.

SECTION 3. REQUIRED FINDINGS.

In accordance with Section 20.52.020 of the Newport Beach Municipal Code, the following findings and facts in support of such findings are set forth:

Finding:

A. The use is consistent with the General Plan and any applicable specific plan.

Facts in Support of Finding:

- A-1. The proposed financial institution use is consistent with the Corridor Commercial (CC) land use designation of the General Plan, which is intended to provide for a range of neighborhood serving retail and service uses along street frontages that are located and designed to foster pedestrian activity.
- A-2. The proposed use is a support use for the residential, office, restaurant, and retail sales uses in the area.
- A-3. The subject property is not part of a specific plan area.

Finding:

B. The use is allowed within the applicable zoning district and complies with all other applicable provisions of this Zoning Code and the Municipal Code.

Facts in Support of Finding:

- B-1. Ordinance 2010-21 provides that discretionary and ministerial applications deemed complete prior to the effective date of the ordinance may be processed under the previous Zoning Code, provided they are found consistent with the General Plan.
- B-2. The application for the proposed project was submitted and deemed complete prior to the adoption of the current Zoning Code.
- B-3. The site is located in the Commercial Corridor (CC) Zoning District. This district is intended to provide areas appropriate for a range of neighborhood-serving retail and service uses along street frontages that are located and designed to foster pedestrian activity. The financial institution is consistent with the CC District.
- B-4. The financial institution is consistent with the legislative intent of Chapter 20.20 (Commercial Zoning Districts) of the Zoning Code. Section 20.20.020 allows for financial institutions by right in the Commercial Corridor Zoning District. No other specific conditions are required in the Zoning Code for the proposed use.

B-5. If the use permit for a parking waiver is approved, the proposed financial institution is consistent with the parking requirements pursuant to Chapters 20.62 and 20.66 of the previous Zoning Code. The proposed project would require sixteen (16) parking spaces, the garage will provide nine (9) parking spaces, and the applicant will purchase ten (10) parking permits annually for employees to park in the nearby municipal parking lot.

Finding:

C. The design, location, size, and operating characteristics of the use are compatible with the allowed uses in the vicinity.

Facts in Support of Finding:

- C-1. The proposed project is located within a nonresidential zoning district, but is adjacent to residential uses to the south. The design is compatible with other businesses on East Coast Highway in that it has a pedestrian friendly façade and entrance along the street with a secondary entrance from the alley in the rear. The size of the building conforms to the floor area ratio allowed in the General Plan and Coastal Land Use Plan.
- C-2. The operating characteristics are that of a typical financial institution and are comparable to other banks in the area. The financial institution is compatible with the nearby businesses and will allow business owners, residents, and visitors to have another banking option in the area. The financial institution will not be open nights or on Sundays and will not generate any potential noise impacts.

Finding:

D. The site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle (e.g. fire and medical) access and public services and utilities.

Facts in Support of Finding:

- D-1. The trapezoidal-shaped lot is approximately 41 feet by 128 feet (approximately 5,289 square feet in area), and is developed with a one-story building with a parking garage below. The garage is accessed from the alley to the rear and contains nine (9) parking spaces. The existing building and parking lot have functioned effectively with the current configuration.
- D-2. The proposed project includes interior alterations and an addition. The building has street and alley access and the project will not negatively affect emergency access.

Finding:

E. Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.

Facts in Support of Finding:

- E-1. The proposed hours of operation of the facility are 9:00 a.m. to 5:00 p.m., Monday through Thursday, 9:00 a.m. to 6:00 p.m., Fridays, and 9:00 a.m. to 12:00 p.m., Saturdays. These limited hours will limit any late-night noise or parking impacts on the neighboring residential uses.
- E-2. The parking garage will provide nine (9) parking spaces, which is adequate to support the parking needs of the financial institution customers because the proposed floor plan provides for a limited customer area and there is potential for customers to walk and bicycle to the subject property from home, work, or another nearby business.
- E-3. To ensure that the employees of the facility do not negatively impact public parking within the residential neighborhood to the south, the applicant will purchase ten (10) parking permits for employee use in the nearby municipal parking lot. This is three (3) more parking permits than the number of parking spaces being waived.
- E-4 Based on the parking analyses described within the Coastal Land Use Plan and the 2008 Walker Parking Study, the parking waiver should not negatively impact the availability of public parking. The Walker Parking Study specifically found that the municipal lot nearby is underutilized and is less than 50 percent occupied.

SECTION 4. DECISION.

NOW, THEREFORE, BE IT RESOLVED:

- 1. The Planning Commission of the City of Newport Beach hereby approves Conditional Use Permit No. UP2010-031, subject to the conditions set forth in Exhibit A, which is attached hereto and incorporated by reference.
- 2. This action shall become final and effective fourteen days after the adoption of this Resolution unless within such time an appeal is filed with the City Clerk in accordance with the provisions of Title 20 Planning and Zoning, of the Newport Beach Municipal Code.

PASSED, APPROVED AND ADOPTED THIS 20 th DAY OF JANUARY, 2011.						
AYES:						
NOES:						
ABSTAIN:						
ABSENT:						
BY: Earl McDaniel, Chairman						
BY: Michael Toerge, Secretary						

EXHIBIT "A"

CONDITIONS OF APPROVAL

- 1. The development shall be in substantial conformance with the approved site plan, floor plans and building elevations stamped and dated with the date of this approval. (Except as modified by applicable conditions of approval).
- 2. The applicant or operator of the facility shall purchase ten (10) parking permits on an annual basis for employee parking in the nearby municipal facility on Fourth Avenue and Dahlia Avenue.
- 3. All proposed signs shall be in conformance with the provisions of Chapter 20.42 of the Newport Beach Municipal Code.
- 4. The project is subject to all applicable City ordinances, policies, and standards, unless specifically waived or modified by the conditions of approval.
- 5. The applicant shall comply with all federal, state, and local laws. Material violation of any of those laws in connection with the use may be cause for revocation of this Conditional Use Permit.
- 6. This approval was based on the particulars of the individual case and does not in and of itself or in combination with other approvals in the vicinity or Citywide constitute a precedent for future approvals or decisions.
- 7. This Conditional Use Permit may be modified or revoked by the City Council or Planning Commission should they determine that the proposed uses or conditions under which it is being operated or maintained is detrimental to the public health, welfare or materially injurious to property or improvements in the vicinity or if the property is operated or maintained so as to constitute a public nuisance.
- 8. Any change in operational characteristics, expansion in area, or other modification to the approved plans, may require an amendment to this Conditional Use Permit or the processing of a new Conditional Use Permit.
- 9. Prior to issuance of building permits, approval from the California Coastal Commission shall be required.
- Prior to the issuance of a building permit, the applicant shall pay any unpaid administrative costs associated with the processing of this application to the Planning Department.
- 11. The site shall not be excessively illuminated based on the luminance recommendations of the Illuminating Engineering Society of North America, or, if

in the opinion of the Planning Director, the illumination creates an unacceptable negative impact on surrounding land uses or environmental resources. The Planning Director may order the dimming of light sources or other remediation upon finding that the site is excessively illuminated.

12. All noise generated by the proposed use shall comply with the provisions of Chapter 10.26 and other applicable noise control requirements of the Newport Beach Municipal Code. The maximum noise shall be limited to no more than depicted below for the specified time periods unless the ambient noise level is higher:

	Between the hours of 7:00AM and 10:00PM		Between the hours of 10:00PM and 7:00AM	
Location	Interior	Exterior	Interior	Exterior
Residential Property	45dBA	55dBA	40dBA	50dBA
Residential Property located within 100 feet of a commercial property	45dBA	60dBA	45dBA	50dBA
Mixed Use Property	45dBA	60dBA	45dBA	50dBA
Commercial Property	N/A	65dBA	N/A	60dBA

- 13. Should the property be sold or otherwise come under different ownership, any future owners or assignees shall be notified of the conditions of this approval by either the current business owner, property owner or the leasing agent.
- 14. Construction activities shall comply with Section 10.28.040 of the Newport Beach Municipal Code, which restricts hours of noise-generating construction activities that produce noise to between the hours of 7:00 a.m. and 6:30 p.m., Monday through Friday and 8:00 a.m. and 6:00 p.m. on Saturday. Noise-generating construction activities are not allowed on Sundays or Holidays.
- 15. All trash shall be stored within the building or within dumpsters stored in the trash enclosure (three walls and a self-latching gate) or otherwise screened from view of neighboring properties, except when placed for pick-up by refuse collection agencies. The trash enclosure shall have a decorative solid roof for aesthetic and screening purposes.
- 16. The exterior of the business shall be maintained free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter debris and graffiti from the premises and on all abutting sidewalks within 20 feet of the premises.
- 17. Deliveries and refuse collection for the facility shall be prohibited between the hours of 10:00 p.m. and 8:00 a.m., daily, unless otherwise approved by the Planning Director, which may require an amendment to this Conditional Use Permit.

- 18. Storage outside of the building in the front or at the rear of the property shall be prohibited, with the exception of the required trash container enclosure.
- 19. A Special Event Permit is required for any event or promotional activity outside the normal operational characteristics of the approved use, as conditioned, or that would attract large crowds, involve the sale of alcoholic beverages, include any form of on-site media broadcast, or any other activities as specified in the Newport Beach Municipal Code to require such permits.
- 20. Conditional Use Permit No. 2010-031 shall expire unless exercised within 24 months from the date of approval as specified in Section 20.54.060 of the Newport Beach Municipal Code, unless an extension is otherwise granted.
- 21. To the fullest extent permitted by law, applicant shall indemnify, defend and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to City's approval Farmers and Merchants Bank Parking Waiver including, but not limited to, Conditional Use Permit No. UP2010-031 and the determination that the project is exempt under the requirements of the California Environmental Quality Act. This indemnification shall include, but not be limited to damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. The applicant shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. The applicant shall pay to the City upon demand any amount owed to the City pursuant to the indemnification requirements prescribed in this condition.

Attachment No. PC 2

Applicant's Project Description



<u>FARMERS + MERCHANTS BANK - CDM Branch</u> 2421 E. Coast Hwy., Corona del Mar, CA 92625 Director's Parking Waiver / UP Application - Support Materials

October, 2010

PROJECT DESCRIPTION

The subject property is located at 2421 E. Coast Hwy., Corona del Mar, CA and consists of an existing 2,873 SF. retail commercial building with 632 SF. of Mezzanine space (to be demolished), and a 4,430 SF. lower level Basement parking Garage, on a 5,289 SF. commercial lot in the RSC Zone / Corridor Commercial District, at the SW corner of PCH and MacArthur Blvd. The existing building is to be completely renovated and updated, together with a new addition of 1132 SF. at the existing rear deck location (less 632 SF. of Mezzanine removal = 500 SF. net addition at rear), a small addition at the recessed front entry of 39 SF., and a reduction of 81 SF. at the front façade, for a net total area of 3,963 SF.

The existing Parking Garage has ten (10) conforming spaces, with another smaller space next to the existing electrical switchgear. The Garage is proposed to be fully renovated, brought up to current codes with full accessibility compliance. A 'van accessible' space with required striping is to be added, together with a new elevator (to the main / street level above), secure trash enclosure, and utility room. The net standard number of parking spaces in the renovated Garage is proposed to be nine (9).

This proposal is for Farmers + Merchants Bank (FMB) a conforming / permitted use, to utilize their property for the new Corona del Mar branch, including customer parking on a 'self-park' basis at the existing Basement level Garage (to be fully renovated), and to purchase ten annual (10) passes for their employee parking (8 to 10 employees at peak times) at the nearby Municipal Lot at 4th and Dahlia Ave. FMB also plans to continue the lease of the lower level garage parking to a nearby restaurant for their valet parking during evening hours.

The application is for a 'Director's Waiver' of the required onsite employee parking and utilization of the Municipal Lot about a block or so away. The 'Public' (non-employee) space within the branch is to be about 1184 SF., and at 250 SF. per space that would require five (5), while nine (9) parking spaces are proposed to be provided in the renovated parking Garage. The proposed number of passes to be purchased will easily meet FMB employee parking needs, and the proximity of the lot to the bank is very convenient. Please refer to the attached 'Background Information' as well as 'Justifications and Findings' for additional information. We sincerely appreciate your consideration of this application, and our office is available at your convenience to provide any additionally requested information.

Respectfully, PLANET DESIGN

unique design solutions for a small world ...

2435 East Coast Highway Ste. 7 Corona del Mar, CA 92625 Tel: USA 949.721.5500 x221 Fax: 949.721.5502 www.PlanetDesignInc.com

Attachment No. PC 3

Project Plans

